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Jharkhand Feed Processing Industry Policy 2015

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INTRODUCTION

NO- 2689-- Jharkhand has huge untapped potential in developing an ecosystem suitable for the progress of Animal Husbandry sector. Dairy, Meat, Piggery, Goatery, Poultry and Fisheries development has a vast potential not only in terms of meeting the local requirements but also in terms of exploiting the opportunities for exports, both within and outside the country. Animal Husbandry offers great scope for changing the fortunes of the State. The State has large potential for Dairy Development as the State is short of 50% milk and there is ready market for consumption of milk. Currently, our milk production is very low; hence requirement is being fulfilled from the neighboring state of Bihar and Orissa. The State also figures as 6th largest fresh water fish producer in the country with over 1.00 Lakh MT production and is also the leading State in cage culture production.

Manufactured feeds are an important part of Cattle Farming, Goat Farming, Poultry Farming and modern commercial aquaculture, providing the balanced nutrition needed by farmed fish, poultry, piggery, goatery and cattle. Since, the ever increasing demand and a significant growth in all the five segments Cattle, Goatery, Piggery, Poultry and Fish Feed, which at present full filled from the neighboring States. Hence, there is a need to have a

separate Feed Processing Industry Policy. The Government of Jharkhand is keen to develop the basic industries in agriculture and allied sector to support Food and Agri Value Chain in the State. Eventually, it will enhance farm income of the farmer in the State and will take the agri economy to higher trajectory.

The State of Jharkhand has tremendous business and investment opportunities arising from its resource endowments. Jharkhand is strategically located to tap the processed feed demand of the country, particularly, Eastern India and export demand of SAARC nations. The State has a wide network of progressive farming community involved in Animal Husbandry precisely in Dairy, Piggery, Goatery, Poultry and Fisheries. With abundant labor and other inputs and its proximity to industrial and urban centers of West Bengal and Odisha, Jharkhand is an ideal place for value addition through in Animal feed processing activities.

To facilitate industrialization and to attract investors, both the Central and State Governments have provided several investors friendly Policies and Incentives on Infrastructure, Transportation, Training, Power, etc. The state is also going through significant transformation in terms of developments in connectivity and infrastructure. Industrial Infrastructure has seen significant improvements in the last decade. Therefore, Jharkhand which was seen as a distant outpost now stands poised for a high growth trajectory.

The Government of Jharkhand strongly advocates focused effort towards the development of Animal feed processing enterprises will provide a big fillip in placing Jharkhand on the Animal Feed Processing Map of India. With a large number of farmers untouched by new and innovative means of marketing their produce, Jharkhand presents an untapped potential in the sectors of Fisheries, Meat & Meat Products, Dairy, Piggery and Poultry Products. In this very context, the Jharkhand Feed Processing Industry Policy 2015 is being enunciated in order to underline the specific importance of Animal feed processing industries and provide due benefits to all the stakeholders.

CHAPTER-I

1.0 VISION, OBJECTIVE AND STRATEGY

The Jharkhand Feed Processing Industry Policy 2015 aims at creating favourable atmosphere for setting-up of Animal feed processing units in the state through creation of infrastructure facilities, encouragement of capital investment and technology up-gradation, development of marketing network, development promotion, grants and concessions.

1.1 VISION

To ensure balanced economic development of the State by favoring Dairy, Fishery, Piggery, Goatery, Poultry and Animal Husbandry sector and to provide maximum benefits to all stakeholders by establishing Jharkhand as a leading state in the feed processing sector.

1.2 OBJECTIVES

The main objectives of this policy are:

- a. To increase the level of processing, reduction of wastage, value addition, enhance the income of farmers as well as increase exports thereby resulting in overall development of feed processing sector.
- b. To encourage the cattle, poultry, animal and fish feed industries to maintain the advantage in animal feed production.
- c. To extend the financial assistance for establishment of new animal feed processing units as well as Technology Upgradation and Expansion of Existing units in the state.

1.3 STRATEGY

- a. Development of infrastructure facilities
- b. Creation of a favourable atmosphere for setting up of feed processing industries
- c. Capital investment promotion
- d. Promotion of technology up-gradation
- e. Financial grant-in-aids and concessions
- f. Market development and export promotion
- g. Other promotional facilities

1.4 DURATION

This policy will remain operational till five years from the date of publication in the Gazette.

1.5 STATE LEVEL EMPOWERED COMMITTEE

To carry out administration of the Jharkhand Feed Processing Industries, a State Level Empowered Committee (SLEC) is constituted under the Chairmanship of the Chief Secretary and this committee will have the following composition

Sl. No.	Composition	Designation
1.	Chief Secretary	Chairman
2.	Development Commissioner	Co-Chairman
3.	Principal Secretary/Secretary, Industry Department	Member
4.	Principal Secretary/Secretary, Health, Medical Education and Family Welfare Department	Member
5.	Principal Secretary/Secretary, Agriculture, Animal Husbandry and Cooperative Department	Member
6.	Principal Secretary/Secretary, Forest, Environment and Climate Change Department	Member
7.	Principal Secretary/Secretary, Planning-cum-Finance Department	Member
8.	Chairman, Jharkhand State Pollution Control Board	Member
9.	Representative of SIDBI	Member
10.	Representative of NABARD	Member
11.	Coordinator, SLBC	Member
12.	One Industry Representative	Member
13.	One NGO Representative	Member
14.	Director of Industries	Member-Secretary

1.6 RECEIPT OF APPLICATIONS UNDER THE POLICY

- a. Only the applications / project proposals submitted after the date of publication of Jharkhand Feed Processing Industry Policy 2015 in the Gazette will be considered under the Policy.
- b. The application(s) will be processed within 45 days from the date of completion of the entire documentation as required under the respective scheme after a field inspection of the project has been completed from the Directorate of Industries
- c. The application(s) for the release of eligible grants-in-aid shall be processed within 2 months from the dated of field inspection report submitted by the Directorate of Industries

1.7 PROCEDURE FOR APPROVAL

The SLEC may decide the level competent to accord project specific approvals under all the projects of this policy. SLEC may also decide the modalities, including delegation of sanction powers under the schemes to sub committees / officers, including the scrutiny of individual proposals and release of funds. SLEC may periodically monitor, review and evaluate the implementation of Jharkhand Feed Processing Industry Policy 2015 in the State.

1.8 MODALITIES FOR RELEASE OF GRANTS-IN-AID

The grantee institution/organization shall be required to maintain Bank Subsidy Reserve Fund Accounts of the Government grant and the modalities governing the amount released as Grants-in-Aid will be as follows:

- a. The amount of grant shall be released into the Bank Subsidy Reserve Fund Account through Cheques / RTGS in installments
- b. The Bank/FI shall create an FD (Fixed Deposit) lien a/c for the subsidy amount in the name of the applicant organization. The fixed deposits created for the Grants-in-Aid should run for a minimum period of 3 years from the date of release of 2nd installment.
- c. A bridge loan/credit limit to the applicant may be provided against the FD amount, however, there should be no interest charged for bridge loan/credit limit
- d. In case the applicant chooses not to avail bridge loan/credit limit, the interest charged thereof, on the existing term loan, shall be on the basis of the outstanding amount of existing term loan less the grant
- e. The bank shall appoint a representative for Joint inspection visit of the said project before release of 2nd installment of grant
- f. In case of recall of grant because of non-fulfillment of any of the sanction conditions as mentioned in the Sanction Letter, the Bank/FIs shall refund the complete grant amount to the Directorate of Industries, Govt. of Jharkhand

1.9 CONDITIONS GOVERNING THE SANCTION OF PROJECTS

- a. Applicants must submit their applications at least 2 months before the date of start of Actual Commercial Production in prescribed format along with the enclosures / documents
- b. All the projects need to mandatorily take a term loan except from a recognized financial institution and can be appraised by the same lending financial institution for all the project components for which subsidy is being sought.
- c. The grant-in-aid shall be utilized exclusively for the purpose(s) for which it is sanctioned

- d. The assets, permanent or semi-permanent, acquired wholly or substantially out of this grant-in-aid shall not without prior concurrence of the Department of Industries, GoJ be disposed-off or encumbered or utilized for the purpose other than these for which this grant has been sanctioned
- e. The application for 1st Installment should be made within 6 months from the date of approval failing which the project may be cancelled by the SLEC

1.10 MONITORING & REPORTING

- a. The accounts of the grantee Institution or Organization shall be open to inspection by the sanctioning authority and audit, both by the Comptroller and Auditor-General of India under the provision of CAG (DPC) Act, 1971 and internal audit by the Principal Accounts Officer of the Ministry or Department, whenever the Institution or Organization is called upon to do so and a provision to this effect should invariably be incorporated in all orders sanctioning grants-in-aid
- b. The books and accounts of the grantee institution shall be kept open to inspection by the sanctioning authority/audit and by any other authority specified by the Director, Department of Industries whenever the institution is called upon to do so
- c. The grantee shall fully cooperate and provide required information to any study team authorized by the Department of Industries, GoJ & Department of Animal Husbandry, GoJ for assessing the performance of this project

1.11 RECALL OF GRANT

SLEC will have the authority to re-call the grant in case of mis-utilization of grants by the applicants:

- a. If the project is not completed in time even within the approved/ extended project period.
- b. If the grant released is utilized for the purpose other than the approved components / activities.
- c. If the institute / organization becomes non-functional or said activity / organization is closed before 3 years of release of final installment.

CHAPTER-II
2.0 PROCESSING UNITS
**(NEW UNIT, MODERNISATION, UPGRADATION,
EXPANSION & DIVERSIFICATION)**

2.1 ELIGIBLE SECTORS

Animal Feed Projects for the processing of Cattle Feed, Goat Feed, Pig Feed, Poultry Feed and Fish Feed processing will be covered under this policy.

2.2 ELIGIBLE ORGANIZATIONS

All implementing agencies / organizations such as Government Departments / PSUs / FPOs / Producer Companies / Joint Ventures / NGOs / Cooperatives / SHGs / Private Sector Companies / individuals engaged in Establishment / Upgradation / Modernization of feed processing units would be eligible for financial assistance under the policy.

2.3 PATTERN OF ASSISTANCE

The scheme envisages financial assistance to animal feed processing units in the form of grant-in-aid:

- a) 35.00 % of the Cost of Plant & Machinery and Technical Civil Works, subject to a maximum of Rs. 500.00 lakhs in general areas
- b) 45.00 % of the Cost of Plant & Machinery and Technical Civil Works, subject to a maximum of Rs. 500.00 lakhs in Integrated Tribal Development Project (ITDP) areas

2.4 ELIGIBLE/ INELIGIBLE COMPONENTS

Ineligible items of civil works:

- a) **Compound wall**
- b) **Approach Road**
- c) **Administrative Office Building**
- d) **Toilets**
- e) **Labour Rest Room and quarters for workers**
- f) **Sanitation Room**
- g) **Security/ Guard Room or enclosure**
- h) **Consultancy Fee**

In short, all expenditure on account of civil works that are not related to the production or processing is excluded. Construction activities on account of labour welfare are excluded totally.

The following items of plant and machinery will not be considered for grant-in-aid:

- a) **Fuel, consumables, spares and stores**
- b) **Computers and allied office furniture**
- c) **Transport vehicles**
- d) **Erection, installation and Commissioning charges**
- e) **Second hand/ old machines / refurbished machinery**

- f) **All types of service charges, carriage and freight charges**
- g) **Expenditure on painting of machinery**
- h) **Closed Circuit TV Camera and related equipment**
- i) **Consultancy Fee**
- j) **Stationery items**

In short, all expenditure on account of plant and machinery works that are not related to the production, processing or packaging are excluded. This list is only indicative and not exhaustive.

2.5 RECEIPT OF APPLICATIONS

Directorate of Industries may assess the load of applications to be received by them and accordingly, decide with the approval of SLEC, modus operandi of receipt of applications directly or through banks / Financial Institutions / e-portal etc. All the projects need to mandatorily take a term loan to the tune of minimum 25% of the total project cost from a recognized financial institution and be appraised by the same lending financial institution for all the project components for which subsidy is being sought.

2.6 PROCEDURE FOR SUBMISSION OF APPLICATIONS / PROJECT PROPOSALS FOR FINANCIAL ASSISTANCE

Applicants seeking financial assistance are required to submit their applications to the Directorate of Industries. Applicants must submit their applications at least 2 months before the date of start of Commercial production in prescribed format (Appendix II) along with the enclosures / documents.

2.7 DOCUMENTS REQUIRED

- i. **Application in the prescribed format (Appendix II) with all the fields clearly filled**
- ii. **Detailed Project Report (DPR) (Appendix III), self-attested**
- iii. **Sanction letter of term loan from Bank / Financial Institution**
- iv. **Appraisal Report from Bank / Financial Institution along with sanctioned DPR from the Bank / FI**
- v. **Certificate of incorporation / registration of the organization, Memorandum and Articles of Association and Bye laws of the society (if applicable) / Partnership Deed etc.**
- vi. **Bio-data / background of the office bearers / promoters of the organization**
- vii. **Annual reports and Audited Statement of Accounts of last three years, in case of expansion / upgradation / modernization / diversification proposals / cases**
- viii. **Blue Print of the building Plan**
- ix. **Notarized English / Hindi version of land document**
- x. **Item wise and cost wise details of Technical Civil Works envisaged duly certified by Chartered Engineer (Civil). (Annexure G)**
- xi. **Item wise and cost wise details of Plant & Machinery envisaged duly certified by Chartered Engineer (Mechanical). (Annexure H)**

- xii. **Quotations from the suppliers of Plant & machinery and equipments etc. with Summary Statement**
- xiii. **Estimate of Civil Construction with the complete breakdown of costs for each of the technical or non- technical civil works**
- xiv. **Manufacturing Permission such as S.S.I / IEM / LOI / SIA Registration etc. (as applicable)**
- xv. **NOC Certificate from Pollution Control Board**
- xvi. **Implementation schedule indicating (a) date of acquiring land (b) date of start of construction of building (c) date of completion of building (d) date for placing order for plant & machinery (e) date of installation / erection (f) date of trial production / running and (g) date of commercial production / running.**
- xvii. **Civil Layout Plan superimposed with Machine Layout clearly indicating all the Machines proposed and existing (if any), which should be properly indexed and annexed with a summary statement of plant and machinery, existing (if any) and proposed**
- xviii. **An affidavit (Annexure B) duly executed on non-judicial stamp paper of Rs. 100/- or more duly notarized by Notary Public affirming that:**
 - **organization's sister concern (s) / related company / group company as well as the applicant company itself availed any financial assistance for a feed processing project in the past from the other Central or State feed processing scheme or not, if yes, the details thereof.**
 - **organization has not obtained / applied for or will not obtain any grant / subsidy from any Ministry / Department of Central Govt. / GOI organization / agencies and State Govt. for the same purpose / activity / same components. If yes, the details thereof.**

The Checklist for the documents has been provided in Appendix I

2.8 RELEASE OF GRANT

The grant-in-aid will be released in two equal installments:

Release of 1st Instalment: The first installment of 50% of the total grant under the scheme will be released after ensuring that 50% of the promoters' contribution and 50% of the term loan has been utilized on the project. The applicant will have to submit the following documents along with the request for the 1st Instalment

- a) **Duly notarized Surety Bond - To be executed by the beneficiary company on Non-Judicial stamp paper of not less than Rs. 100/- (Annexure A)**
- b) **Duly notarized Affidavit - To be executed by the beneficiary company on Non-Judicial stamp paper of not less than Rs. 100/- (Annexure B)**
- c) **Bank Certificate certifying that they have released 50% of term loan and have no objection on release of 1st installment of grant being provided by State (Annexure E)**
- d) **Chartered Accountant Certificate - Actual expenditure incurred on the project showing the means of finances and 50% or above utilization of Promoters**

contribution & Term loan (Annexure C)

- e) **Itemized Summary Statement of expenses incurred on Plant and Machinery components with breakup of machine name, supplier, date of order, date of payment, date of arrival at factory, Gross Cost, VAT, Service Tax, other taxes, Freight, Other Charges and Net Cost on the letterhead of CA (with a declaration that all the vouchers have been properly checked and verified) & enclosure of all the bills and vouchers**
- f) **Itemized Summary Statement of expenses incurred on Technical Civil Works components with breakup of machine name, supplier, date of order, date of payment, date of arrival at factory, Gross Cost, VAT, Service Tax, other taxes, Freight, Other Charges and Net Cost on the letterhead of CA (with a declaration that all the vouchers have been properly checked and verified) & enclosure of all the bills and vouchers**
- g) **Certificate of the Chartered Engineer (Civil) for Technical Civil Works indicating item wise progress, cost, quantity, manufacturer / supplier and comment on quality annexed with color photographs (with date stamps) of the project site (Annexure G)**
- h) **Certificate of the Chartered Engineer (Mech.) for Plant & Machinery indicating item wise progress, cost, quantity, manufacturer / supplier and comment on quality annexed with color photographs (with date stamps) of the project site (Annexure H)**
- i) **Compliance of conditions imposed in the approval letter of the grant-in-aid, if any**
- j) **Bank Subsidy Reserve Fund Account Details of the Bank Account for the organization on the letterhead of the Bank**
- k) **Site Inspection Report by the Directorate of Industries to ascertain the physical progress of the project**

Based on the above documents, the Director, Department of Industries as designated by SLEC would arrive at the eligible amount of grant and release 50% of the eligible amount as 1st instalment subject to the availability of all other requisite documents as per policy guidelines.

Release of 2nd Instalment: The second installment of the grant would be released only after confirming the commencement of commercial production through physical verification by the Directorate of Industries and issue of Consent-to-Operate from the Pollution Control Board and submission of documents specified below by the firm, utilization of first installment of the grant, 100% of Term Loan as well as 100% of Promoter's contribution.

- a) **Utilization Certificate - as per GFR 19A, Duly certified by the C.A. and countersigned by the Bank and promoter of the beneficiary company (Annexure D)**
- b) **Chartered Accountant Certificate - Actual expenditure incurred on the project showing the means of finances and 100% utilization of Promoters contribution, 100% of Term loan and 1st installment of released grant (Annexure C)**

- c) **Bank Certificate - certifying that they have released 100% of term loan and 1st installment of grant released by the State. They have no objection in releasing 2nd installment of grant being released by State (Annexure F)**
- d) **Itemized Summary Statement of expenses incurred on Plant and Machinery components with breakup of machine name, supplier, date of order, date of payment, date of arrival at factory, Gross Cost, VAT, Service Tax, other taxes, Freight, Other Charges and Net Cost on the letterhead of CA (with a declaration that all the vouchers have been properly checked and verified) & enclosure of all the bills and vouchers (for the components not submitted earlier)**
- e) **Itemized Summary Statement of expenses incurred on Technical Civil Works components with breakup of machine name, supplier, date of order, date of payment, date of arrival at factory, Gross Cost, VAT, Service Tax, other taxes, Freight, Other Charges and Net Cost on the letterhead of CA (with a declaration that all the vouchers have been properly checked and verified) & enclosure of all the bills and vouchers (for the components not submitted earlier)**
- f) **Certificate of the Chartered Engineer (Civil) for Technical Civil Works indicating item wise progress, cost, quantity, manufacturer/supplier and comment on quality with color photographs (with date stamps) of the project site (Annexure G)**
- g) **Certificate of the Chartered Engineer (Mech.) for Plant & Machinery indicating item wise progress, cost, quantity, manufacturer/supplier and comment on quality with color photographs (with date stamps) of the project site (Annexure H)**
- h) **Site inspection to ascertain the completion of the project and start of commercial production and issue of Consent-to-Operate from the Pollution Control Board**
- i) **Before release of 2nd & final installment of grant-in-aid, eligible grant-in-aid for the project will be re-calculated based on the proposed / appraised /actual cost, whichever is less, for the already approved items and released accordingly**

2.9 IMPLEMENTATION AND MONITORING OF THE PROJECTS SANCTIONED

The implementation schedule for the projects would be about 12 months from the date of the issue of approval letter. Directorate of Industries will develop a mechanism to verify the project at every stage to assess the performance. Directorate of Industries may also devise evaluation, monitoring and reporting procedures.

CHAPTER-III

3.0 MISCELLANEOUS

- 3.1** Notwithstanding anything contained in the foregoing paragraphs of the Jharkhand Feed Processing Industry Policy 2015, the State Government by issuance of notification in the official gazette may amend or withdraw any of the provisions and or the schemes mentioned herein above.
- 3.2** The Industrial Units which are getting benefitted under this policy will not be eligible for any other financial incentives or benefits under any other schemes or policy of the Govt. of Jharkhand or Govt. of India.
- 3.3** **In case of any discrepancy between the English and Hindi Version of this policy, the English Version of the policy will be considered as final**
- 3.4** If any difficulty arises in giving effect to provisions of the Jharkhand Feed Processing Industry Policy 2015, the same shall be referred to the State Government through Chief Secretary and thereon the decision taken shall be final.

APPENDIX I
DOCUMENT CHECK LIST

Scheme for Feed Processing Units (New Unit, Modernization, Expansion & Diversification)

Name of the Project:

S. NO.	DOCUMENT NAME	COMPLETED YES/NO	REMARKS
A. List of Documents required before Sanctioning of the Project			
1	Application in the prescribed format (Appendix II) with all the fields clearly filled		
2	Detailed Project Report (DPR) (Appendix III), self-attested		
3	Sanction letter of term loan from bank / financial institution		
4	Appraisal report from Bank / Financial Institution along with sanctioned DPR from the Bank / FI		
5	Certificate of incorporation/registration of the organization, Memorandum and Articles of Association and Bye laws of the society (if applicable)/ partnership deed etc.		
6	Bio-data/background of the office bearers/promoters of the organization		
7	Annual reports and Audited Statement of Accounts of last three years, in case of expansion / upgradation / modernisation / diversification proposals/cases.		
8	Blue Print of the building Plan		
9	Notarized English / Hindi version of land document		
10	Item wise and cost wise details of Technical civil works envisaged duly certified by Chartered Engineer (Civil). (Annexure G)		
11	Item wise and cost wise details of Plant & Machinery envisaged duly certified by Chartered Engineer (Mechanical). (Annexure H)		
12	Quotations from the suppliers of Plant & machinery and equipments with summary statement		
13	Estimate of Civil Construction with the complete breakdown of costs for each of the technical or non-technical civil works		
14	Manufacturing permission such as S.S.I / IEM / LOI / SIA / NOC / Registration etc. (as applicable)		
15	NOC Certificate from Pollution Control Board		
16	Civil Layout Plan superimposed with Machine Layout clearly indicating all the Machines proposed and existing (if any), which should be properly indexed and annexed with a summary statement of plant and machinery, existing (if any) and proposed		
17	An affidavit (Annexure B) duly executed on non-judicial stamp paper of Rs. 100/- or more duly notarized by Notary Public		
<p>B. Release of 1st Installment: The first installment of 50% of the total grant under the scheme will be released after ensuring that 50% of the promoters' contribution and 50% of the term loan has been utilized on the project. The applicant will have to submit the following documents along with the request for the 1st Instalment</p>			
18	Request Letter from the Applicant for the Release of 1 st Instalment of the Grant		

19	Duly notarized Surety Bond - To be executed by the beneficiary company on Non-Judicial stamp paper of not less than Rs. 100/- (Annexure A)		
20	Duly notarized Affidavit - To be executed by the beneficiary company on Non-Judicial stamp paper of not less than Rs. 100/- (Annexure B)		
21	Bank Certificate certifying that they have released 50% of term loan and have no objection on release of 1st Instalment of grant being provided by State (Annexure E)		
22	Chartered Accountant Certificate - Actual expenditure incurred on the project showing the means of finances and 50 % utilization of Promoters Contribution & Term loan (Annexure C)		
23	Itemized Summary Statement of expenses incurred on Plant and Machinery components with breakup of machine name, supplier, date of order, date of payment, date of arrival at factory, Gross Cost, VAT, Service Tax, other taxes, Freight, Other Charges and Net Cost on the letterhead of CA (with a declaration that all the vouchers have been properly checked and verified) & enclosure of all the bills and vouchers		
24	Itemized Summary Statement of expenses incurred on Technical Civil Works components with breakup of machine name, supplier, date of order, date of payment, date of arrival at factory, Gross Cost, VAT, Service Tax, other taxes, Freight, Other Charges and Net Cost on the letterhead of CA (with a declaration that all the vouchers have been properly checked and verified) & enclosure of all the bills and vouchers		
25	Certificate of the Chartered Engineer (Civil) for Technical Civil Works indicating item wise progress, cost, quantity, manufacturer / supplier and comment on quality annexed with color photographs (with date stamps) of the project site (Annexure G)		
26	Certificate of the Chartered Engineer (Mech.) for Plant & Machinery indicating item wise progress, cost, quantity, manufacturer / supplier and comment on quality annexed with color photographs (with date stamps) of the project site (Annexure H)		
27	Compliance of conditions imposed in the approval letter of the grant-in-aid, if any		
28	Bank Subsidy Reserve Fund Account Details of the Bank Account for the organization on the letterhead of the Bank		
31	Site Inspection Report by the Directorate of Industries to ascertain the physical progress of the project		
C. Release of 2nd Installment: The second installment of the grant would be released only after confirming the commencement of commercial production through physical verification by the Directorate of Industries and issue of Consent-to-Operate from the Pollution Control Board and submission of documents specified below by the firm, utilization of first installment of the grant, 100% of Term Loan as well as 100% of Promoter's contribution			
32	Request Letter from the Applicant for the Release of 2 nd Instalment of Grant		
33	Utilization Certificate - as per GFR 19A, Duly certified by the C.A. and countersigned by the Bank and promoter of the beneficiary company (Annexure D)		

34	Chartered Accountant Certificate - Actual expenditure incurred on the project showing the means of finances and 100% utilization of Promoters contribution, 100% of Term loan and 1st installment of released grant (Annexure C)		
35	Bank Certificate - certifying that they have released 100% of term loan and 1st installment of grant released by the State. They have no objection in releasing 2nd installment of grant being released by State (Annexure F)		
36	Itemized Summary Statement of expenses incurred on Plant and Machinery components with breakup of machine name, supplier, date of order, date of payment, date of arrival at factory, Gross Cost, VAT, Service Tax, other taxes, Freight, Other Charges and Net Cost on the letterhead of CA (with a declaration that all the vouchers have been properly checked and verified) & enclosure of all the bills and vouchers (for the components not submitted earlier)		
37	Itemized Summary Statement of expenses incurred on Technical Civil Works components with breakup of machine name, supplier, date of order, date of payment, date of arrival at factory, Gross Cost, VAT, Service Tax, other taxes, Freight, Other Charges and Net Cost on the letterhead of CA (with a declaration that all the vouchers have been properly checked and verified) & enclosure of all the bills and vouchers (for the components not submitted earlier)		
38	Certificate of the Chartered Engineer (Civil) for Technical Civil Works indicating item wise progress, cost, quantity, manufacturer/supplier and comment on quality with color photographs (with date stamps) of the project site (Annexure G)		
39	Certificate of the Chartered Engineer (Mech.) for Plant & Machinery indicating item wise progress, cost, quantity, manufacturer/supplier and comment on quality with color photographs (with date stamps) of the project site (Annexure H)		
40	Site Inspection Report by the Directorate of Industries to ascertain the completion of the project, start of commercial production and issue of Consent-to-Operate from the Pollution Control Board		
41	Consent-to-Operate from the Pollution Control Board		
42	Before release of 2nd & final installment of grant-in-aid, eligible grant-in-aid for the project will be re-calculated based on the proposed / appraised /actual cost, whichever is less, for the already approved items and released accordingly		

APPENDIX II
APPLICATION FORM
Scheme for Feed Processing Units (New Unit, Modernisation, Upgradation, Expansion & Diversification)

Name of the Project:

S. No.	Particulars	Details
A. Promoters		
1	Name & Address of the Promoter including telephone, fax, e-mail etc.	Name: Address: Phone: Fax: Email:
2.	Type of organization like Govt. Institution /organization, Industry Association, University, NGO, Co-operative, others etc.	
3.	Background/credentials of applicant organization	
4.	Financial Status (applicable for expansion and modernization projects)	Turnover: Profit:
5.	A. Existing Industry if any B. For New Unit: Industrial registration	A. B.
B. Project Description		
6.	Name of the Project	
7.	Location / Area of the project	
8.	Products / By Products	
9.	Process with complete flow chart	
10.	Technology (Indigenous / Imported)	
11.	Capacity of the Plan / Unit	Existing: Proposed:

12.	In case of expansion/modernization of existing facilities/ unit (details of existing capacity and proposed capacity after expansion & along with capacity utilization)		Existing	Total After expansion
		Capacity		
		Capacity Utilization		
D. Project Cost (indicating proposed cost, appraised cost separately)				
13.	Capital Investment(Fixed Capital)	Proposed Cost		Appraised Cost
	i. Land Area Cost	i.		i.
	ii. Building	ii.		ii.
	iii. Civil Works	iii.		iii.
	iv. Technical Civil Works	iv.		iv.
14.	Plant & Machinery (Indigenous) (Capacity / Specification / Cost)	Capacity	Specification	Cost (Rs.)
	List all the machines to be installed and grants-in-aid applied for, adding rows as necessary			
15.	Plant & Machinery (Imported) (Capacity / Specification / Cost)	Capacity	Specification	Cost (Rs.)
	List all the machines to be installed and grants-in-aid applied for, adding rows as necessary			
16.	Pre-operative expenses (in Rs.)			
17.	Working Capital (in Rs.)			
18.	Raw Material/Packaging (Source / Quantity / Cost)	Source	Quantity	Cost (Rs.)
	List all the raw materials and packaging items required for the project, adding rows as necessary			
19.	Labour (Quantity/Cost)	Quantity		Cost (Rs.)
20.	Effluent Disposal	Method	Machinery	Cost (Rs.)

	(Method / Machinery / Cost) List all the machines to be installed and grants-in-aid applied for, adding rows as necessary			
D. Means of Finance (indicating proposed & appraised means of finance, separately)				
21.	Means of Financing	Proposed	Appraised	
	a) Equity (Promoter/Foreign/Other)	a) Rs.	a) Rs.	
	b) Loan (Term/working capital)	b) Rs.	b) Rs.	
		1	1	
		2.	2.	
	1. Name of the bank/Financial institution	3.	3.	
	2. Amount of term loan sanctioned	4.	4.	
	3. Date of sanction	5.	5.	
	4. Rate of interest	c) Rs.	c) Rs.	
	5. Repayment schedule	d) Rs.	d) Rs.	
	c) Assistance from other sources	e) Rs.	e) Rs.	
	d) Grant-in-aid under JFPIP	TOTAL	TOTAL	
	e) Others			
22.	Financial Benchmarks	Existing	Projected	
	a) Cash Flow	a)		
	b) Break Even Point	b)		
	c) Internal Rate of Return	c)		
	d) Debt Equity Ratio	d)		
	e) Debt Service Coverage Ratio	e)		
Attach the Details of Calculation of each of the above on a separate sheet, must be cross-signed by the Chartered Accountant				
23.	In case of			

	expansion/modernization all the above benchmarks to be given separately- existing we well as projected	
24.	In case of expansion/modernization proposals Audited Balance sheet of last three years to be enclosed	

E. Marketing

24.	<p>Marketing</p> <p>a) Existing Market</p> <p>b) Future Demand</p> <p>c) Marketing Strategy</p> <p>d) Linkage to farm/backward linkages</p> <p>e) Forward market linkages</p> <p>List out each one of the parameters in details</p>	<p>a)</p> <p>b)</p> <p>c)</p> <p>d)</p> <p>e)</p>
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F. Implementation Schedule

		Item of work	Date
25.	Item of work and Date of implementation (Bar charts/Milestone Charts may be enclosed)	a. Acquiring land	
		b. Start of construction of building	
		c. Completion of building	
		d. Placing order for plant & machinery	
		e. Installation /erection	
		f. Trial production/ running	
		g. Commercial production/ running	

G. Personnel

26.	Details of technical & Managerial personnel (Operation, Maintenance, managerial, finance, marketing etc.) required &	
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	available.				
H. Employment Generation- Direct/Indirect					
27.	a) Direct (Male & Female Separately) b) Indirect (Male & Female Separately)		Male	Female	Total
		Direct			
		Indirect			
		Total			
<p>Certified that the information given above is true to the best of my knowledge and enclosures submitted are duly verified in accordance with the guidelines of the scheme. The proposal may be considered for financial assistance.</p> <p>Date: _____ Signature: _____</p> <p>Place: _____ Name and Designation: _____</p> <p>Seal of the Organisation: _____</p>					

APPENDIX III FORMAT FOR DPR

- 1. Executive Summary –**
- 2. Background**
 - 2.1. Sector Background –
 - 2.2. Project Background –
 - 2.3. Promoter's Background –
- 3. Land Details & Logistics**
 - 3.1. Character of the Land –
 - 3.2. Requirement of Land Area –
 - 3.3. Ownership of the Land –
 - 3.4. Present Status of Land –
 - 3.5. Location of Land –
- 4. Procurement Strategy of Raw Material & Other Inputs**
 - 4.1. Raw Material Availability –
 - 4.2. Sources of Procurement –
 - 4.3. Process of Procurement –
- 5. Techno-Commercial Viability Assessment**
 - 5.1. Technology Used –
 - 5.2. Possible Source of Equipments / Machine Suppliers –
 - 5.3. Capacity & Production –
 - 5.4. Pollution Control (Please provide the details precisely) –
 - 5.4.1. Amount of Generation of Pollution / Wastage
 - 5.4.2. Mode of Waste Disposal
 - 5.4.3. Machines to be installed for adhering to pollution norms
- 6. Process Flow Diagram**
 - 6.1. Machine Layout Plan –
 - 6.2. Process Flow Table –

7. Infrastructure Source

- 7.1. Power (if from JESB, Permission Letter required) –
- 7.2. Water –
- 7.3. Manpower –

8. Marketing Strategy

- 8.1. Market Opportunities –
- 8.2. Approach –

9. SWOT Analysis–**10. Financial Analysis**

- 10.1. Cost Estimates –
- 10.2. Working Capital Requirement –
- 10.3. Revenue Projections –
- 10.4. Fund Flow Statement –
- 10.5. Financial Ratios –
- 10.6. Break Even –
- 10.7. Term Loan –
- 10.8. Internal Rate of Return –

11. Investment Details

- 11.1. Equity Contribution & Source -
- 11.2. Debt Contribution, Source & Cost of Debt -
- 11.3. Total Fixed Capital-
- 11.4. Net Worth of the Company -
- 11.5. Appraisal Letter from Bank or Lending Institution -

ANNEXURE A
On non-judicial stamp paper of Rs. 100/-
SURETY BOND

KNOW ALL MEN BY THESE PRESENTS that we, M/s _____, a _____ (Type of organization) incorporated / registered under the _____ (Name of the Act) and having its registered office at _____ (hereinafter called the “Obligors”) are held fully and firmly bound to the Governor of State _____ (hereinafter called the “Government”) for the sum _____ of _____ Rs. _____ (Rupees _____ only) well and truly to be paid to the Government on demand and without a demur for which payment we firmly bind ourselves and our successors and assignees by these presents.

SIGNED on the _____ day of _____ in the year Two Thousand _____.

WHEREAS on the Obligors’ request, the Government as per Sanction Order No. _____ Dated _____ (hereinafter referred to as the “Letter of Sanction”) which forms an integral part of these presents, and a copy whereof is annexed hereto and marked as Enclosure - I, agreed to make in favor of the Obligors grants-in-aids-in-aid of Rs. _____ (Rupees _____ only) for the purpose of _____ (description of the project) at _____ out of which the sum of Rs. _____ (Rupees _____ only) have been paid to the Obligors (the receipt of which the Obligors do hereby admit and acknowledge) on condition of the Obligors executing a bond in the terms and manner contained hereinafter which the Obligors have agreed to do.

NOW the conditions of the above written obligation is such that if the Obligors duly fulfill and comply with all the conditions mentioned in the letter of sanction, the above written Bond or obligation shall be void and of no effect. But otherwise, it shall remain in full force and virtue. The Obligors will abide by the terms & conditions of the grants-in-aid by the target dates, if any specified therein.

THAT the Obligors shall not divert the grants-in-aids and entrust execution of the Scheme or work concerned to another institution(s) or organization(s).

THAT the Obligors shall abide by any other conditions specified in this agreement and in the event of their failing to comply with the conditions or committing breach of the bond, the Obligors individually and jointly will be liable to refund to the Governor of Jharkhand, the entire amount of the grants-in-aid with interest of 10% per annum thereon. If a part of the grants-in-aid is left unspent after the expiry of the period within which it is required to be spent, interest @10% per annum shall be charged up to the date of its refund to the Government, unless it is agreed to be carried over.

The Obligors agree and undertake to surrender / pay the Government the monetary value of all such pecuniary or other benefits which it may receive or

derive / have received or derived through / upon unauthorized use of (such as letting out the premises on adequate or less than adequate consideration or use of the premises for any purpose other than that for which the grants-in-aid was intended of the property) buildings created / acquired constructed largely from out of the grants-in-aid sanctioned by the State Government of _____, or the administrative Head of the Department concerned. As regards the monetary value aforementioned to be surrendered / paid to the Government, the decision of the Government will be final and binding on the Obligers.

AND THESE PRESENTS ALSO WITNESS THAT the decision of the Chief Secretary to the State Govt. of _____ on the question whether there has been breach or violation of any of the terms or conditions mentioned in the sanction letter shall be final and binding upon the Obligers and

IN WITNESS WHEREOF these presents have been executed as under on behalf of the Obligers the day herein above written in pursuance of the Resolution No. _____ Dated _____ passed by the governing body of the Obligers, a copy whereof is annexed hereto as Enclosure - II and by _____ for and on behalf of the Governor of State _____ on the date appearing below.

Signature of the AUTHORISED SIGNATORY

Signed for and on behalf of

(Name of the Obliger in block letters)

(Seal / Stamp of Organization)

1. Signature of witness
Name & Address

2. Signature of witness
Name & Address

TO BE FILLED UP BY THE DIRECTORATE OF INDUSTRIES,
(ACCEPTED)

For and on behalf of the Governor of State _____

Name: _____

Designation: _____

Dated: _____

Notary Seal & Signature

ANNEXURE B
On non-judicial stamp paper of Rs. 100/-
Affidavit
[As per GFR-209(1)]

I S/o Resident of
 director / proprietor of M/s
 do here by solemnly affirms and state as
 follows:

- a) organization's sister concern (s) / related company / group company as well as the applicant company itself availed any financial assistance for a feed processing project in the past from the other central or State feed processing scheme or not, if yes, the details thereof.
- b) organization has not obtained / applied for or will not obtain any grant / subsidy from any Ministry / Department of Central Govt. / GOI organization / agencies and State Govt. for the same purpose / activity / same components. If yes, the details thereof.

**D
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Verification:

Verified that the content of this affidavit are true and correct to the best of the knowledge and belief of the deponent and no part of this affidavit is kept concealed therein, If anything is found false in this Affidavit subsequently deponent and organization shall be liable jointly and severally for action under the laws, hence verified at _____(Place) _____ on _____(Date)_____

Deponent
Notary Seal & Signature

ANNEXURE C
(Letter Head of the CA)

CA certificate (With membership No. of CA) in the following format:-

(i) Project Cost:

(Rs. In Lakhs)

S. No.	Name of the Component/Item	Project Cost	Cost as appraised by Bank	Actual Cost
1	Land			
2	Building / Civil Works			
3	Plant & Machinery			
4	Misc. Fixed Assets			
5				
6				
7				
	Total			

(ii) Means of Finance:

(Rs. In Lakhs)

S. No.	Item	Project Cost	As per Appraisal Report	Actual Cost
1	Promoters Equity			
2	Term Loan			
3	Unsecured Loan			
4	JFPIP Grant			
5	Other's			
	Total			

Details of unsecured loans, if any, duly certified by CA.

Signature and Seal of C.A

ANNEXURE D
(Letter Head of the CA)
PROFORMA AS PER GFR 19-A
(See GF rule 212 (1))

S. No.	Letter No. & Date	Amount
1.		

- a) Certified that out of Rs. _____ of grant-in-aid sanctioned during the year _____ in favor of _____ under this Ministry/ Department letter No. given in the margin and Rs. _____ on account of unspent balance of the previous year, a sum of Rs. _____ has been utilized for the purpose of _____ for which it was sanctioned, that the balance of Rs. _____ remaining un-utilized at the end of the year _____ has been surrendered to Government (vide No. _____ dated _____) will be adjusted towards the grants-in-aid payable during the next year _____
- b) Certified that I have satisfied myself that conditions on which the grant-in-aid was sanctioned have been dully fulfilled/ are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised:

- 1.
- 2.
- 3.

Signature (CA) _____

Designation _____

Date _____

Counter signature of
promoter of company
with Seal

ANNEXURE E
(Letter Head of the Bank)
Certificate

- a) Certified that this bank has appraised the project of M/s _____ (Name and address of the organization) as per guidelines of the scheme and also sanctioned term loan of Rs _____ lakh (if applicable).
- b) It is further certified that we have released Rs _____ lakh (_____ % of sanctioned term loan) to M/s _____ (Name and address of the organization)
- c) We have no objection in releasing 1st installment of grant if sanctioned by the State Govt.

(Signature)
(Name)
(Branch Manager)
(Branch IFSC Code)

Directorate of Industries
Jharkhand Feed Processing Industry Policy 2015
State _____

ANNEXURE F
(Letter Head of the Bank)
Certificate

- a) Certified that this bank has appraised the project of M/s _____ (Name and address of the organization) as per guidelines of the scheme and also sanctioned term loan of Rs. _____ lakh (if applicable).
- b) It is further Certified that this bank has released 100% of term loan sanctioned i.e. Rs. _____ lakh and also 1st installment of grant of Rs. _____ lakh released by the Directorate of Industries vide sanction order No. _____ Dated _____ to M/s _____ (Name and address of the organization), which has been credited in account number _____ of the firm.
- c) We have no objection in releasing 2nd installment of grant if sanctioned by the State Govt.

(Signature)
(Name)
(Branch Manager)
(Branch IFSC Code)

Directorate of Industries
Jharkhand Feed Processing Industry Policy 2015
State _____

ANNEXURE G**(Letter Head of Chartered Engineer - Civil)****Format for Item Wise and Cost Wise Details of Technical Civil Works**

Name of the Project:

Location of the Project:

Sr. No.	Description	Existing infrastructure	New infrastructure			
		Area (sq meter)	Area (sq meter)	Rate	Total (lakhs)	Eligible/ Non-eligible
1						
2						
3						
4						
Total						

Signature and Seal of Chartered Engineer (Civil)

Date_____

ANNEXURE H
(Letter Head of Chartered Engineer - Mechanical)
Format for Item Wise and Cost Wise Details of Plant & Machinery

Name of the Project:

Location of the Project:

Sr. No.	Machinery	Existing		New				
		No.	Capacity	No.	Capacity	Rate	Value (lakhs)	Eligible / Non-eligible
1								
2								
3								
4								
Total								

Signature and Seal of Chartered Engineer (Mechanical)

Date_____

Note:

- a. Rate and Value of the Machines will be the Basic Cost and should not include any duty, charges, taxes, freight, insurance, erection or installation charges
- b. Eligible / Non-Eligible will be based on the criteria mentioned in the respective scheme as mentioned in the Policy
- c.
